

company for the year ending 31st December, 1886, with the financial statements duly audited.

The amount paid in on capital stock account at above date was \$274,278.04.

Upon referring to the balance sheet it will be seen that the amount of real estate owned and held for sale or for purpose of investment (inclusive of the Toronto Arcade) is \$398,653.72; these figures are not materially changed from last year, as the large amount sold during the year has been to a great extent offset by additional advantageous purchases.

The amount loaned on real estate mortgages is \$127,213.68, an increase during the year of \$31,624.24; loans on other securities amount to \$27,302.61.

The real estate has been carefully inspected and the securities examined as usual by the special committee appointed under the bylaws for that purpose.

The net profits for the year (after deducting expenses of management and interest to depositors, etc.) are \$58,875.01, which, with the balance from last year, \$345.59, makes in all \$59,220.60.

Out of these profits two half-yearly dividends of 3½ per cent. have been declared, amounting to \$18,461.62, and the sum of \$88.51 has been written off for probable losses.

It is recommended that the sum of \$32,000.00 be added to the Reserve Fund, thereby increasing the amount at credit of that account to \$60,000.00, or 21.88 per cent. of the paid-up capital; of the balance it is proposed to apply the sum of \$4,000.00 towards the formation of a "Contingent Fund," and to carry forward the remainder, \$4,670.47, to the credit of Profit and Loss Account.

The result of the year's operations has afforded the directors great satisfaction, which will, no doubt, be shared by the stockholders of the company. The activity in the real estate market apparent at the commencement of 1886, has continued unabated, and a prosperous year for 1887 is confidently anticipated. The directors have taken advantage of this activity to sell at handsome profit portions of the lands held, and have the best possible evidence for believing that the market value of the real estate still on hand is far in excess of its cost to the company.

While pursuing a policy of caution and having due regard to the possibilities of any future depression, the directors have made during the year several purchases of property at safe prices, which promise to be a source of much future profit to the company.

All of which is respectfully submitted.

J. GORMLEY, Managing Director. D. BLAIN, President.

FINANCIAL STATEMENT FOR THE YEAR ENDING 31st DECEMBER, 1886.—GENERAL BALANCE SHEET.

Liabilities.

Capital Stock paid up.....	\$274,278 04
Mortgages on Real Estate.....	142,394 39
Deposits.....	85,363 33
Sundry Accounts payable.....	649 79
Dividend No. 11, payable 3rd Jan., 1887.....	9,377 78
Reserve Fund.....	60,000 00
Contingent Fund.....	4,000 00
Profit and Loss Account, carried forward.....	4,670 47
	\$580,733 80

Assets.

Real Estate.....	\$398,653 72
Loans, Mortgages....\$127,213 68	
Loans, Bills Receivable and Collaterals.....	27,302 61
Interest Accrued.....	2,178 37
	156,694 66
Rents Receivable, due and accrued.....	6,933 50
Cash in Bank.....	17,888 07
Cash on hand.....	84 81
	17,972 88
Office Furniture.....	479 04
	\$580,733 80

PROFIT AND LOSS ACCOUNT.

Dr.

To interest paid Depositors, Bank, etc.....	\$10,020 42
To cost of management.....	5,187 25
To net profits for year..\$58,875 01	
Add balance at credit from last year.....	345 59
	\$59,220 60

Appropriated and proposed to be appropriated as follows:

Dividend No. 10, three and one-half per cent, paid 2nd July, 1886 ..	9,083 84
Dividend No. 11, three and one-half per cent, payable 3rd Jan., 1887 ..	9,377 78
Written off for losses ..	88 51
Added to Reserve Fund ..	32,000 00
Carried to Contingent Fund ..	4,000 00
Carried forward to credit of Profit and Loss account ..	4,670 47
	59,220 60

Cr.

By balance at credit, 1st Jan., 1886.....	\$2,395 09
By less amount voted to President, Directors & Auditors ..	2,049 50
	345 59
By interest on Investments, Rents, etc.....	25,409 93
By profits on Sales of Real Estate ..	48,672 75
	\$74,428 27

AUDITORS' REPORT.

We hereby report that we have made a careful examination of the books of account, vouchers and securities of the company, and we have found the same to be correct and in order. We also certify that the foregoing balance sheet and Profit and Loss statements are correctly extracted from the Books, and represent a true exhibit of the company's affairs.

CHAS. B. PETRY, } Auditors.
JNO. PATON, }

Toronto, 3rd February, 1887.

The president in moving the adoption of the report was confident that the shareholders at large would share with the directors the pride they felt in discussing the present position of the company. After being only six years in operation we have a Reserve Fund of over 21 per cent. of the paid-up capital, the funds of the company have been most judiciously invested, and while a large proportion of the real estate held is interest-bearing property, yielding a fair and remunerative annual return, it is also pleasing to know from offers actually received that sales can readily be made at prices which would realize considerable profit to the shareholders. He was pleased to be able to state that the "Arcade" was yielding a satisfactory and constantly increasing net interest on the money invested. He further stated that it was the opinion of the board that the time had now come when the company's stock should be listed on the stock exchange, which would accordingly be done very shortly.

The vice-president, Mr. E. H. Duggan, seconded the motion, and referred at length to the value of the company's assets, which he said had been carefully inspected by the committee appointed for the purpose, and had been found most satisfactory.

The resolution was carried unanimously.

The customary votes of thanks were tendered the president, vice-president, directors and officers, after which the election of directors for the ensuing year took place, resulting in the re-election of the retiring board, viz.: Messrs. D. Blain, E. H. Duggan, James Langstaff, M.D., Jas. Robinson, Alfred Baker, Ald. John Harvie, A. McLean Howard, C. Blackett Robinson, John L. Cook, Wm. Booth and James Gormley.

At a subsequent meeting of the Board Mr. David Blain was re-elected president and Messrs. E. H. Duggan and Dr. Langstaff vice-president.

MANITOBA AND NORTH-WEST LOAN COMPANY (LIMITED).

The eighth annual meeting of shareholders in this company was held at 36 Toronto street, Toronto, on Wednesday, 19th January, 1887, at noon.

There were present the Hon. J. C. Aikins, Messrs. A. V. DeLaporte, T. Sutherland Stayner, Frank Turner, C. E., Alfred Hoskin, Q. C., R. T. Gooderham, Professor Young, W. J. Montgomery, John Stark, William Nason, A.

T. Ogilvy, Dr. Thom, H. Gordon Mackenzie, and Bernard Saunders.

On motion of Professor Young, seconded by Mr. R. T. Gooderham, Mr. H. L. Stark was appointed secretary of the meeting.

The secretary read the annual report and financial statement for 1886, as under:

REPORT.

The directors beg to submit the report of the business of the company up to 31st December, 1886. The net profits of the year are \$32,662.77, which after providing for the seven per cent. dividend declared, leaves a balance (including \$30,298.49 brought forward from last year) of \$41,086.26. Of this amount \$11,000 has been carried to Rest Account, and the balance \$30,086.26 is permitted to remain at the credit of Revenue Account for the present.

Debentures to the amount of \$141,185.00 have been disposed of in Great Britain and Ontario, and debentures to the amount of \$130,647.33 have been paid. The total amount of debentures now outstanding is \$768,650.48.

It is satisfactory to be able to state that the progress referred to in the report of last year continues, and that a more confident feeling is perceptible. This is shown by improvement through the country, and by the amount of money offering for investment at reasonable rates of interest.

The wheat crop was not so abundant as it usually is. The quality of the grain however was excellent, and notwithstanding the marked shrinkage in the price of this cereal the season's results have proved more satisfactory than was anticipated. The condition of the farmers continues to improve, particularly so where mixed farming has been followed.

The further extension of the south-western branches of the Canadian Pacific Railway by forty (40) miles, that of the main line of the Manitoba and North-Western and its branches by sixty-eight (68) miles, will give ready access to markets to a very large number of settlers. The same remark will also apply to the forty (40) miles of the Hudson's Bay Railway already built but not yet opened. The early completion of this railway is earnestly looked for, as it will, with the extension of lines just made, do much towards the more rapid settlement of the country.

It is gratifying to observe that the immigration of last year has equalled that of the two previous years taken together.

The general statement of assets and liabilities on 31st December, 1886, and an abstract of Profit and Loss Account are herewith submitted.

J. C. AIKINS, President.

G. A. MUTTLEBURY, Manager.

Toronto, January 19th, 1887.

LIABILITIES AND ASSETS, 31st DECEMBER, 1886.

Liabilities.

Stock subscribed..\$1,250,000 00	
Stock paid up.....	\$312,500 00
Debentures	768,650 48
Interest accrued on Debentures ..	10,683 48
Rest Account	111,000 00
Unclaimed Dividends	788 88
Balance at Credit of Revenue Account	30,086 26
	\$1,233,709 10

Assets.

Loans and accrued interest....	\$1,092,244 84
Properties account.....	99,393 76
Imperial Bank, Winnipeg.....	14,167 68
Imperial Bank, Toronto.....	19,516 24
National Bank of Scotland.....	8,143 29
J. F. Moncrieff.....	243 34
	\$1,233,709 10

PROFIT AND LOSS ACCOUNT.

Dr.

Cost of Management.....	\$8,829 21
Interest paid and accrued on Debentures	41,827 70
Loss on Exchange.....	198 22
Debenture Expenses.....	1,159 86
Commission	4 90
	\$52,019 89

Balance from last year ..	\$30,298 49
Net Profits for year..	32,662 77
	\$62,961 26

Appropriated as follows:—

Dividend No. 13....	\$10,937 50
Dividend No. 14....	10,937 50

(Continued on page 1033.)